

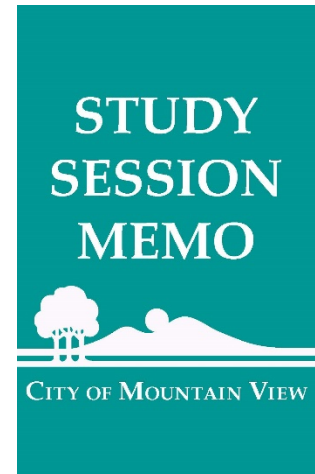
**DATE:** December 1, 2020

**TO:** Honorable Mayor and City Council

**FROM:** Clarissa Burke, Senior Planner  
Aarti Shrivastava, Assistant City Manager/  
Community Development Director

**VIA:** Kimbra McCarthy, City Manager

**TITLE:** **365 San Antonio Road**



## PURPOSE

The purpose of this Study Session is to receive Council input on the proposed project at 365 San Antonio Road.

## BACKGROUND

### Project Site

The approximately one-acre project site is located at the southeast corner of San Antonio Road and California Street, and adjacent to office, retail, and entertainment uses in San Antonio Center. Across California Street and San Antonio Road are residential and commercial uses, including two high-density mixed-use projects by Greystar and Prometheus that are currently under construction.

The project site is currently developed with two small commercial buildings totaling approximately 9,400 square feet and surface parking that would be demolished with this project.



**Figure 1: Location Map**

## **Project Overview**

The project is being called “Phase III” of Merlone Geier’s redevelopment projects on the west side of San Antonio Center (SAC). Merlone Geier refers to the project applicant and their existing Phase I and II developments known as “The Village at San Antonio Center.” The existing and proposed developments span the entire east side of San Antonio Road, between El Camino Real, California Street, and the main entry into SAC at Pacchetti Way.

The proposed project includes construction of a new seven-story commercial building, with one floor of ground floor retail below six floors of office use, and four levels of underground parking. The underground parking levels will be accessed through the four-level parking garage constructed under the adjacent office buildings in Merlone Geier’s Phase II development, with no new vehicle access from the street or project site.

The project also includes utilization of up to 150,000 square feet of development rights from the Los Altos School District (LASD) Transfer of Development Rights (TDR) Program and Precise Plan Amendments to the San Antonio Precise Plan to accommodate the additional TDR office area in this location.



**Figure 2: San Antonio Village Map**

In order to fit all the LASD TDRs on the site (150,000 square feet), the project maximizes the building’s footprint, building to the sidewalk along three sides – San Antonio Road, California Street, and Silicon Way – with limited upper-floor step-backs on the sixth and seventh stories fronting San Antonio Road and California Street. Along the Promenade (east side), the two bottom floors are stepped in significantly to create a breezeway where a standalone single-story retail “jewel box” building is placed. The project’s open space is primarily located on private balconies facing California Street and San Antonio Road.



**Figure 3: Illustrative Site Plan**

## **Prior Meetings and Hearings**

### *Gatekeeper Authorization*

In December 2019, the City Council authorized staff resources for the consideration of amendments to the San Antonio Precise Plan and utilization of up to 150,000 square feet of development rights from the Los Altos School District (LASD) Transferred Development Rights (TDR) Program (see [Attachment 1: December 3, 2019 City Council Report](#)).

### *Development Review Committee*

On October 21, 2020, the Development Review Committee (DRC) provided initial direction on the site plan and architectural design of the proposed project. The DRC provided comments focused on improving pedestrian experience, massing and materials, key corners, and the relationship to surrounding buildings. Key high-level direction of the DRC is expanded upon in the Project Design section below. Given the short timeline between the DRC meeting and the Environmental Planning Commission (EPC) Study Session, the comments given by the DRC have not yet been addressed in the project plans.

*Environmental Planning Commission Study Session*

On November 18, 2020, the project was presented for EPC feedback at a Study Session. The EPC provided direction on project design and parking. The direction of the EPC is summarized in the discussion below.

**DISCUSSION**

**Precise Plan Amendment**

Amendments to the San Antonio Precise Plan (SAPP) will be needed to implement the TDR project. Specifically, the SAPP caps net new office development at 600,000 square feet, of which up to 400,000 square feet of net new office development may occur within the Northwest San Antonio (NWSAC) Master Plan Area where the project site is located.

Approximately 380,900 square feet of net new office area remain to be developed under the SAPP office development cap, including around 39,000 square feet within the NWSAC Master Plan Area. The project proposes to build approximately 167,000 square feet of office area.

The proposed project will require a Precise Plan Amendment to remove the 400,000 square foot limitation on office area in the NWSAC Master Plan Area, allowing the project to utilize remaining office development cap area from elsewhere in the SAPP area and update SAPP TDR Program language. If the proposed request is approved and built, approximately 214,000 square feet of additional office development would be feasible elsewhere in the SAPP area.

Council considered whether to authorize this project's Gatekeeper application, including the proposed increase in office area, on two occasions. At the first Gatekeeper hearing in September 2019, Council denied the request for authorization, citing the monolithic nature of the design as one of the deciding factors, among other concerns. In December 2019, the applicant received authorization to proceed with the current project proposal. Council was supportive of the proposed office area and Precise Plan Amendment.

**SAPP and General Plan Compliance**

The General Plan Land Use Designation for the proposed project is Mixed-Use Center, which permits commercial buildings up to 0.75 FAR and eight stories. The proposed project is also located in the Mixed-Use Center Subarea of the SAPP, which permits commercial developments with FARs up to 0.75 and heights up to six stories (or eight stories/95' on a case-by-case basis) with provision of public benefits.

In order to fit the additional area purchased through the LASD TDR Program, the proposed project is requesting height, FAR, and setback exceptions. Specifically, the proposed building is taller than the maximum height permitted by the SAPP, does not include required upper-floor setbacks above the fourth floor, and does not meet the minimum setbacks for all floors.

As the project is part of the LASD TDR Program, Council supported the proposed office area and height of the project, which necessitates exceptions to the SAPP development standards to accommodate the additional TDR square footage.

## **Project Design**

### **Building Materials**

The use of warm, rich materials and detailing can improve pedestrian comfort. Staff believes the north and east facades are more successful in creating a comfortable ground-floor experience as they have a solid two-story massing differentiated from the upper floors (see Figure 4). The facades facing San Antonio Road and Silicon Way do not have a different material application on the base of the building, resulting in a more heavy and monolithic feel (see Figure 5).





**Figure 4: View of Northeast Corner**



**Figure 5: View of Southeast Corner**

Staff recommends the design be revised to provide more architectural detail and high-quality facade material to the entire ground floor of the project to help differentiate the base of the project and increase pedestrian comfort and interest, with a special focus on the south and east facades.

## Landscape Design

The applicant proposes landscape strips along the streets and some planter boxes at the two key corners (California Street and Promenade and California Street and San Antonio Road) to protect pedestrian areas from the adjacent vehicle traffic.

Landscaping helps scale and soften building facades, as well as enhance the pedestrian activity areas. Staff recommends the landscape areas be studied to consider the circulation of pedestrians and make sure planters are the appropriate size, placement, and design. Of particular concern is the project's northwest corner (San Antonio Road and California Street), where large planters seem to constrain pedestrian movement on-site and access to the corner retail space. The DRC also supported the project proposal to incorporate a sculptural installation at this corner, but recommended the planters be revised to accommodate vertical planting to accommodate increased pedestrian movement.



**Figure 6: Illustrative Site Plan**

## Building Areas of Special Design Focus

*Key Corner:* The corner of San Antonio Road and California Street is the primary focal point of the project and a Gateway corner for San Antonio Center as a whole. The corner will be predominantly viewed by people driving through the busy intersection of California Street and San Antonio Road. As such, the proportions of the building and

design accents are very important. Staff and the DRC found that the proposed corner balconies (as shown in Figure 7) seemed to obscure the strong massing proposal of the building corner. Staff and the DRC recommend the applicant study the proportion of the corner elements, as well as opportunities to create visual interest through an artlike installation on the building facade and/or an additional complementary feature (e.g., a specimen tree planting in the landscape area).



**Figure 7: View from Northwest Corner**

*East Facade/Breezeway:* The breezeway and “jewel box” retail on the east side of the building are key design features that create usable outdoor areas for the project (see Figure 8). The standalone single-story retail building within the large, covered outdoor two-story volume provides a unique, protected environment for people to enjoy the outdoors year-round. This area is an opportunity for special design features and fine-grain details to create a destination for people to visit.

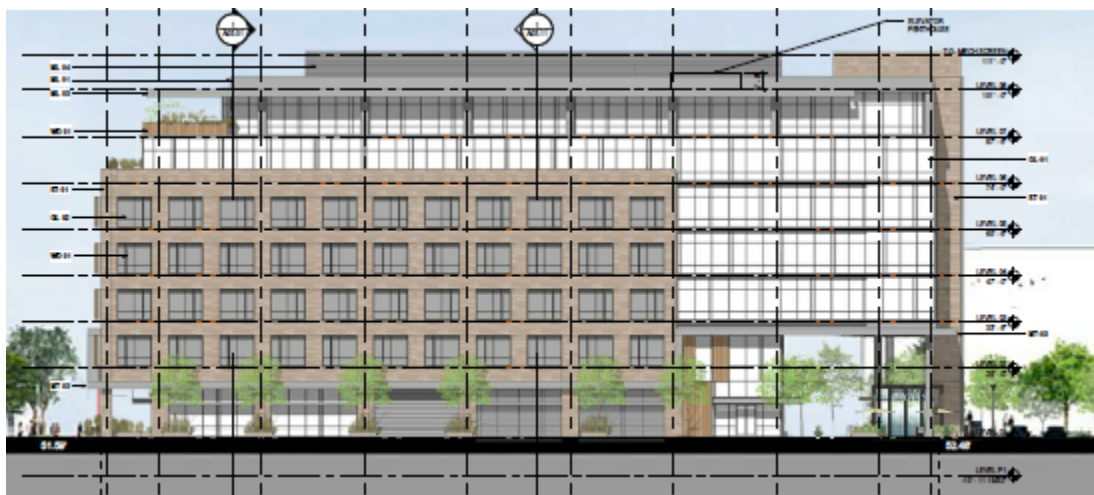
The current design incorporates a large vertical massing element that begins on the ground floor and carries the entire height of the building. This element is not necessary per the Building Code and could be minimized. Staff and the DRC recommend this element be minimized and replaced with other lower-scale that will be more comfortable for pedestrians and create synergy with the large plaza located just beyond the site in the Phase II development. Removing or modifying this feature would also better showcase the jewel box retail building.





**Figure 8: View of the Southeast Corner**

*Southern Facade:* The southern facade is designed as “back of house” with utility rooms and loading areas. This location is acceptable as it aligns with similar areas in the adjacent Phase II office building, and Silicon Way is the least prominent project frontage. However, staff still anticipates the area will be highly used by pedestrians, and further efforts should be made to make the environment comfortable. Staff and the DRC recommend the applicant differentiate the base of the project from the upper floors by stepping in the first or first two floors to create a wider pedestrian walk zone through a partial pedestrian arcade along at least a portion of the frontage. Staff also recommends more high-quality materials be used in the utility areas to help make it a more inviting pedestrian environment.



**Figure 9: Southern Elevation**

### Separation Between Structures

The separation between the proposed building and the adjacent Phase II office building on Silicon Way is generally less than the space provided between other taller buildings in the Phase II development. This is a staff concern given prior Council and community critique of certain narrow and pedestrian-unfriendly conditions in the Phase I project area. The Phase II project review included a lot of direction and consideration to separating the buildings, modulating heights, and providing high-quality streetscape design to improve the pedestrian experience and avoid creating discontinuous pedestrian connections or a “tunnel” effect between buildings.

There is little ability to substantially increase setbacks or upper-floor step-backs to replicate strategies employed in Phase II without substantially reducing the use of LASD TDR square footage.

Staff and the DRC recommend that further consideration be given to the south setback and massing breaks. The other building facades all include some ground-floor articulation and differentiation that helps break the mass. The south facade is placed approximately 47' from the existing Phase II office building and has little ground-floor differentiation. Staff recommends the applicant study pushing in the base of the facade to create a small pedestrian arcade along a portion of the frontage. The inclusion of at least a partial ground-level arcade, additional modulation of the limestone wall, and potentially stepping back the sixth floor to match the seventh-floor setback will help create better scale massing and a more comfortable environment for pedestrians to walk. A small decrease in building area is likely with the incorporation of some of these recommendations, depending on their extent and execution.



**Figure 10: East Site Elevation Illustrating Separation Between Phase II and Phase III**

### *EPC Direction*

The EPC agreed with DRC and staff direction on the project design topics and encouraged the applicant to continue to work with staff. The EPC gave the following additional direction:

- Study opportunities to increased landscape, greenery, and trees in the proposed project, with a special emphasis on native plants;
- Study ways to accommodate more bicycle connections through and around the project site; and
- Consider installation of artwork celebrating the historic significance of the area as the birthplace of the silicon chip.

***Council Question No. 1: Does the Council support the design comments by the EPC, DRC, and staff, or have any additional feedback?***

### **Parking**

The project proposes four levels of underground parking and is accessed through the adjacent Phase II underground parking garage located across Silicon Way.

Staff is supportive of the underground parking garage and access through the Phase II garage as the design meets objectives of the SAPP to construct shared, centralized structured parking and Citywide objectives to limit driveways that conflict with bicycle

and pedestrian infrastructure. In addition, due to the size and constraints of the project site, there is not sufficient space to create access on-site to an underground garage.

The SAPP allows for parking reductions for shared uses, proximity to transit, and/or a Transportation Demand Management (TDM) Program. The project proposes a 5.5 percent parking reduction across the Phase II and Phase III projects, based on shared parking between the uses in the two projects. In order to receive this parking reduction, the applicant will provide a parking study to justify the proposal. The proposed reduction for shared parking is below the maximum 20 percent reduction permitted per the SAPP.

Staff is supportive of a parking reduction per the allowances of the SAPP, as long as proper justification is provided. The optimal route for considering this reduction is through analysis of a shared parking scenario between the Phase II and Phase III developments. This will require reevaluation of the parking for the Phase II development combined with the Phase III project. The applicant is also required to provide a TDM Program with a minimum 30 percent vehicle trip reduction target.

#### *EPC Direction*

The EPC agreed with the staff recommendation of support for a parking reduction contingent on completion of appropriate technical studies and a TDM Program.

***Council Question No. 2: Does Council support the EPC direction regarding shared underground parking and associated reductions between the Phase II and Phase III projects?***

#### **RECOMMENDATION**

This Study Session gives Council the opportunity to provide input on key project topics to guide the applicant and staff in refining the project design through the remainder of the development review process. Staff requests Council feedback on the following questions and any other project related comments:

1. Does the Council support the EPC, DRC, and staff design direction or have any additional feedback?
2. Does Council support the EPC direction regarding shared underground parking and associated reductions between the Phase II and Phase III projects?



## **NEXT STEPS**

Following this Council Study Session, the applicant will revise the project per DRC, EPC, and Council direction and continue to work through the development review project with staff. The project is anticipated to return to Council for a public hearing in mid-2021.

## **PUBLIC NOTICING**

The City Council's agenda is advertised on Channel 26, and the agenda and this report appear on the City's website. All property owners within a 750' radius and other interested stakeholders were notified of this meeting.

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- Attachments:
1. [December 3, 2019 City Council Report](#)
  2. [November 18, 2020 EPC Study Session Staff Report](#)
  3. Project Plans